



**City of Kingston  
Report to Council  
Report Number 14-349**

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<b>To:</b>	<b>Mayor and Members of Council</b>
<b>From:</b>	<b>Cynthia Beach, Commissioner Corporate &amp; Strategic Initiatives</b>
<b>Resource Staff:</b>	<b>Paul MacLatchy, Director, Environment &amp; Sustainable Initiatives</b>
<b>Date of Meeting:</b>	<b>November 18, 2014</b>
<b>Subject:</b>	<b>Approval of Initial Study Grant Application, Brownfields Project Areas 1A for the property located at 661 Montreal Street</b>

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**Executive Summary:**

This report is being brought forward by staff in response to an application by BPE Development, the owner of 661 Montreal Street, for a Brownfields Initial Study Grant. The initial study grant is a component of the City's Brownfield Community Improvement Plan intended to assist developers in assessing the environmental condition of their property before redevelopment.

The applicant is requesting the Initial Study Grant to offset the cost for prospering a Phase II Environmental Site Assessment and a Site Specific Risk Assessment. The property is within Brownfield Project Area 1A, as approved by Council in February 2005 and is therefore eligible to apply for the Initial Study Grant.

This report recommends that the application for an Initial Study Grant for 661 Montreal Street be approved to a maximum of \$20,000. If approved, the grant will be paid to the registered property owner once the studies are complete and reports have been provided to the City to the satisfaction of the Director Environment and Sustainable Initiatives.

**Recommendation:**

**That** Council approve the application to deem 661 Montreal Street as eligible to receive up to \$20,000 in an Initial Study Grant under the Community Improvement Plan – Brownfields Project Area 1A; and

**That** the Treasurer be authorized to issue the grant payment, to the registered property owner at the time of payment, subject to review of required documentation by the Director of Environment & Sustainable Initiatives.

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**Authorizing Signatures:**

ORIGINAL SIGNED BY COMMISSIONER

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**Cynthia Beach, Commissioner,  
Corporate & Strategic Initiatives**

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

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**Gerard Hunt, Chief Administrative Officer**

**Consultation with the following Members of the Corporate Management Team:**

Lanie Hurdle, Community Services	Not required
Denis Leger, Transportation, Facilities & Emergency Services	Not required
Jim Keech, President and CEO, Utilities Kingston	Not required
Desiree Kennedy, Chief Financial Officer & City Treasurer	Not required

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**Options/Discussion:**

BPE Development has made application to the City for an Initial Study Grant under the Brownfield Community Improvement Plan (CIP) Program to assist in funding the completion of a Phase II Environmental Site Assessment (ESA) and a Site Specific Risk Assessment for the property at 661 Montreal Street in Kingston.

The Phase II ESA will be completed to meet the requirements of Ontario Regulation 153/04 so that the property remains eligible for further Brownfield funding and so that a Record of Site Condition (RSC) can be completed if required for mortgage financing, reduction of environmental risk, or if changes of land use may be contemplated. The completion and filing of a RSC legally certifies that a property has been environmentally restored in accordance with the Ministry of Environment and Climate Change's (MOECC's) prescribed procedures and to established standards.

This application satisfies all the criteria of the Community Improvement Program – Brownfield Project Areas 1A. Environment and Sustainable Initiatives Department staff have reviewed the application and recommended the approval of the application as outlined in this report. Under the terms of the program the owner is required to provide a copy of the Phase II Environmental Site Assessment report and/or Site Specific Risk Assessment report prior to the release of associated components of grant payment. A Phase II Environmental Site Assessment is required in order to determine eligibility and need for further Brownfield funding. The applicant's redevelopment plans for the property consists of renovating the existing building and construction of another building or an addition to the existing building. The property will not require a change in land use from its current commercial designation.

The property is one parcel of land; 661 Montreal Street. It is bounded by Montreal Street to the west, commercial to the north and vacant land to the east and south. The irregularly-shaped property has one structure: a partial two-storey and three-storey industrial building. The property at 661 Montreal Street once operated as an extermination and fumigation distribution company.

A Phase I Environmental Site Assessment report was provided on September 26, 2014, which concluded that additional investigation is required to adequately review the subsurface conditions on the subject property. Following the Phase II Environmental Site Assessment, a Site Specific Risk Assessment (RSC) will be developed for the property in preparation for filing an RSC. Abatement of the hazardous building materials will be part of the rehabilitation of the property.

The Initial Study Grant in the Brownfield financial incentives program provides grants for Phase Two, Phase Three Environmental Site Assessments and Site Specific Risk Assessments to a maximum of two studies per property for a total grant of no more than \$20,000. The program is designed to fund studies for an average of three properties within the City of Kingston's Brownfield Community Plan Project Areas per year. To date, three Initial Study Grants have been approved for funding in 2014; however the average of the three grants in 2014 has been \$13,662, utilizing \$40,984 of the budget of \$60,000, therefore the account has \$19,016 remaining. The grant provides a matching grant equal to fifty percent (50%) of the cost of the

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initial study or \$20,000, whichever is less, which will utilize the remaining balance of this account.

Estimates provided by the owner's consultant estimate the Phase Two Environmental Site Assessment and Site Specific Risk Assessment will cost approximately \$92,400 to complete. Within the Brownfield program the proponent is eligible for a grant of 50% of this cost or \$20,000 whichever is less, which equates to the maximum of \$20,000.

This application is for the approval of an Initial Study Grant only. It does not in any way commit the City to any other financial incentives under the Community Improvement Plan – Brownfield Project Area 1A, or any planning approvals that will be required before site development can proceed. The owner could apply for additional funding under the Brownfields program but only following the completion of the study being considered in this report. This would be subject to another application to the Planning Committee in the future.

**Existing Policy/By-Law:**

Brownfield Community Improvement Plan, Brownfields Project Areas 1A, 1B and 1C.

**Notice Provisions:**

There are no notice provisions required for this action.

**Accessibility Considerations:**

There are no accessibility considerations at this time.

**Financial Considerations:**

The initial study grant amount of \$20,000 will be funded from the 2014 operating budget allocation for this grant program. The budget shortfall of approximately \$1,000 will be absorbed by other projected savings within the Environment & Sustainable Initiatives 2014 operating budget.

**Contacts:**

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Nathan Richard, Project Manager, Brownfields 613-546-4291 ext. 1325

**Other City of Kingston Staff Consulted:**

Jeff Walker, Manager Taxation and Revenue 613-546-4291 ex 2468  
Desiree Kennedy, CFO and City Treasurer 613-546-4291 ex 2220

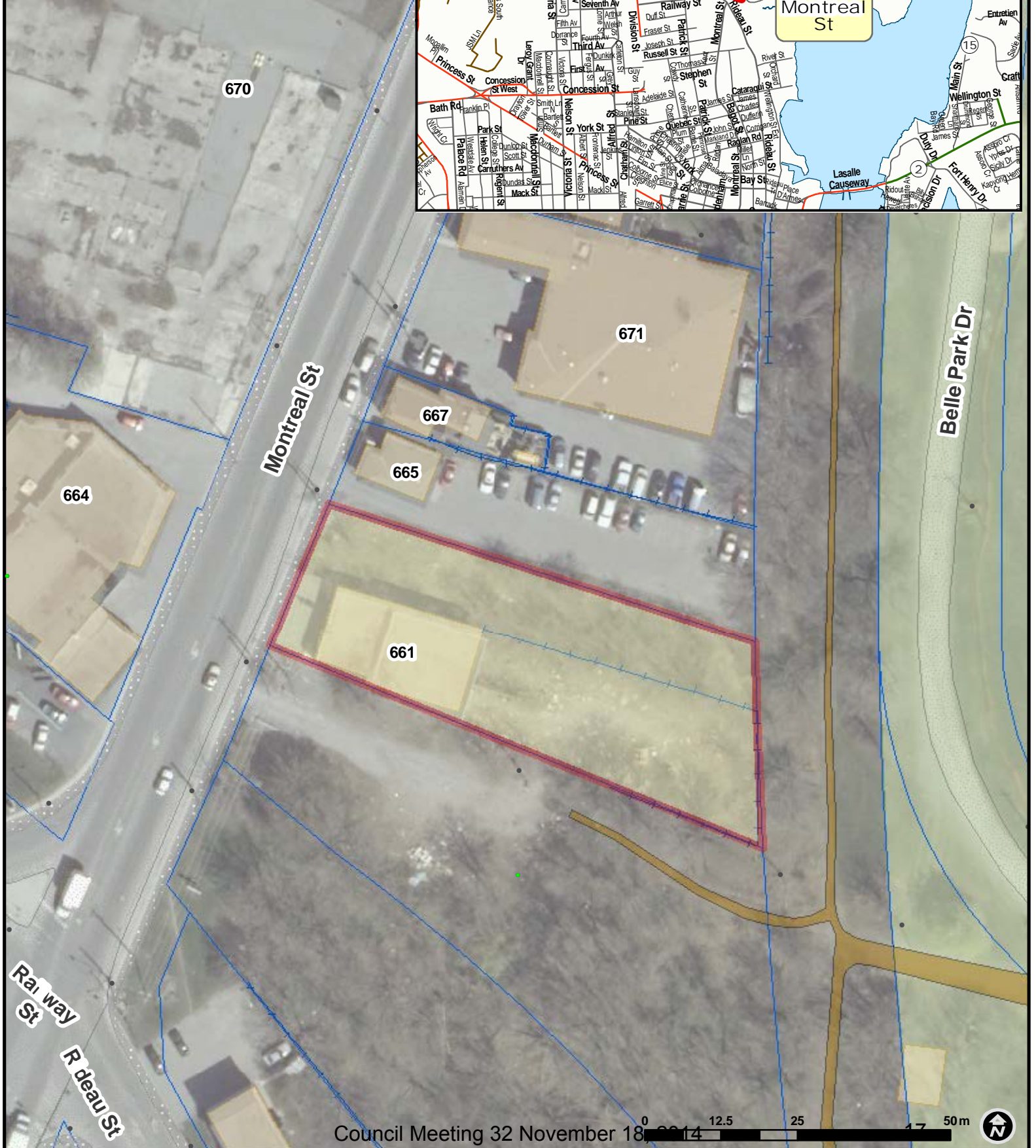
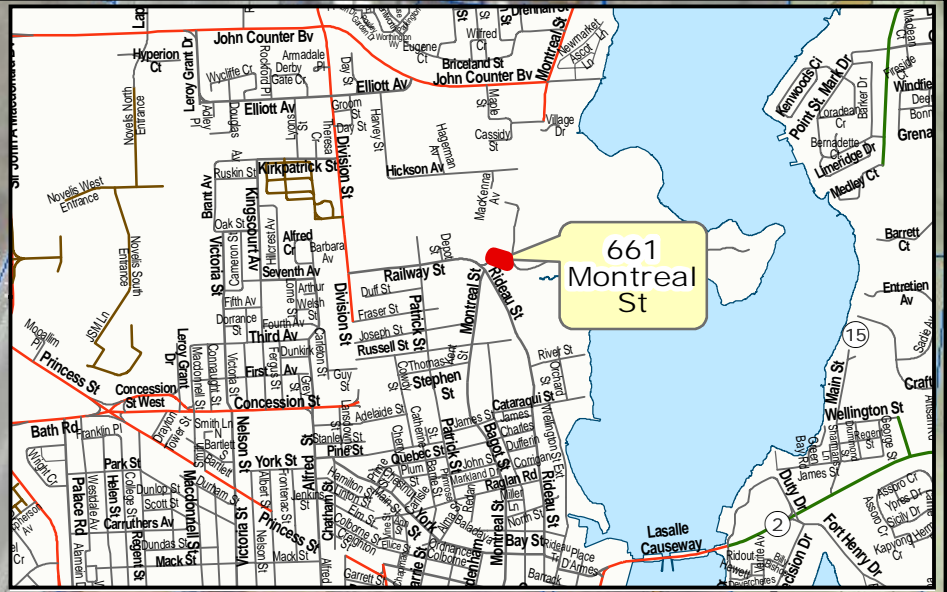
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**Exhibits Attached:**

Exhibit A – Site Map of 661 Montreal Street

City of Kingston  
Tax Sales Property  
Roll # 101104001006800  
661 Montreal St



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